

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 13, 2008

Brian K. Cherry
Vice President, Regulatory Relations
Pacific Gas and Electric Company
77 Beale St.
P.O. Box 770000
San Francisco, CA 94177

Re: California Solar Initiative Marketing and Outreach updates

Dear Mr. Cherry:

Decision (D.) 07-05-047 directs the California Solar Initiative (CSI) Program Administrators to provide semi-annual updates to their approved Interim Marketing and Outreach (M&O) plans, including a delineation of M&O costs from other administrative costs in semi-annual expense reports. On June 3, 2008, PG&E submitted its updated CSI M&O plan to the Energy Division, proposing two changes. The first was an additional budget of \$50,000 to expanded solar classes through 2008, to offer new topics to a wider scope of installers and customers throughout PG&E territory. The second proposed change was an additional budget of \$50,000 to develop a "Solar Matchmaking" tool to better inform PG&E's customers and solar industry professionals of retail solar opportunities. Staff discussed these proposed activities and finds them to be germane to the Decision, which allows PAs to request a \$100,000 budget increase.

PG&E's M&O Update identifies the remaining activities for 2008, including \$170,000 for direct mail campaign deferred in the letter of conditional approval sent last February by the Energy Division. Staff notes that PG&E responded to a data request seeking results from past direct mail campaigns for the CSI Program with favorable information, and are permitted to proceed with that portion of their M&O strategy. PG&E also provided useful input on a data request to standardize expense reporting, and used this semi-annual reporting opportunity to clarify M&O expense reports.

D.07-05-047 granted the Energy Division authority to approve of Interim CSI M&O plans, updates and expenses. Based upon the Energy Division's recommendation, PG&E's CSI M&O Updates and increased budget requests are hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ken Lewis'.

Ken Lewis, Interim Director
PUC, Energy Division

Cc: Andrew Schwartz, Advisor to Commissioner Peevey
Dorothy Duda, Administrative Law Judge
Service List R.08-03-008